

CORRECTED FISCAL NOTE

HJR 1192

May 7, 2008

SUMMARY OF BILL: Urges the Department of Health to develop and implement a statewide initiative to increase awareness among Tennesseans about cancer and colorectal cancer and the lifesaving and cost saving benefits of prevention, pursue the creation of the Tennessee Colorectal Cancer Screening Program for uninsured and underinsured men and women, and collaborate with the American Cancer Society and the Tennessee Comprehensive Cancer Control Coalition Center.

ESTIMATED FISCAL IMPACT:

On April 21, 2008, we issued a fiscal note indicating an *increase in state expenditures of \$769,500 in FY08-09, \$28,535,100 in FY09-10, and \$28,464,400 in FY10-11*. Based on further analysis, the estimated fiscal impact of this legislation is as follows:

(CORRECTED)

Other Fiscal Impact – Should the Department of Health implement all activities which are urged by the proposed legislation there will be an increase in state expenditures of \$769,500 in FY08-09, \$28,535,100 in FY09-10, and \$28,462,400 in FY10-11 and Subsequent Years

Assumptions:

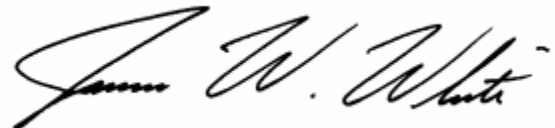
- The Department estimates two additional clerk positions to develop, implement, and maintain the two proposed awareness campaigns resulting in an estimated increase in expenditures of \$142,540. This amount includes one-time expenditures of \$8,600 for computers (\$3,200) and office set-up (\$5,400) and recurring expenditures of \$133,940 for salaries (\$75,132), benefits (\$25,808), administrative allocations (\$15,800), communications (\$2,800), office leases (\$8,200), supplies (\$1,200), and travel (\$5,000).
- The Department estimates an increase in one-time expenditures of \$300,000 and recurring expenditures of \$50,000 for the implementation of the Cancer awareness program.
- The Department estimates an increase in one-time expenditures of \$150,000 and recurring expenditures of \$50,000 for the implementation of the Colorectal Cancer Awareness program.

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- The Department will contract with Ph.D. and graduate level personnel to conduct feasibility study for a Colorectal Cancer Screening Program is estimated to increase one-time expenditures by \$77,000.
- It is estimated that the feasibility study will produce a positive result and the Department will implement a Colorectal Cancer Screening Program in year two. The cost estimates are based on data from the American Cancer Society for the eligible population served (130,000 individuals), screenings (\$90 per office visit and \$800 per colonoscopy), average treatment costs (\$20,000 per case), and addition personnel (16 additional positions).
- The Department estimates that 21.5 percent (27,950) of the eligible population will receive a screening resulting in an increase in expenditures of \$24,875,500 (27,950 individuals x \$890).
- The Department estimates that 97 of the 27,950 individuals will receive treatment resulting in an increase in expenditures of \$1,940,000 (97 individuals x \$20,000).
- The Department estimates the 16 additional positions will result in an increase in one-time expenditures of \$72,700 for computers (\$27,500), printers (\$2,000), and office set-ups (\$43,200) and recurring expenditures of \$1,051,446 for salaries (\$615,516), benefits (\$211,430), administrative allocations (\$126,400), communications and networking (\$22,900), office leases (\$65,600), and supplies (\$9,600).
- The Department estimates the metro service contracts will increase by \$361,500.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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